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racsımıle: 002-2/4-9135 Email: jczimmerman@lawms.com

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ORIGINAL

AZ CORP COMMISSION DOCKET CONTROLY 15, 2008

HAND DELIVERY

Docket Control Center Arizona Corporation Commission 1200 W. Washington St. Phoenix, Arizona 85007 Arizona Corporation Commission DOCKETED

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W-04074A-08-0094

Dear Sir or Madam:

I am enclosing an application by Del Rio Water Company, LLC, an Arizona limited liability company, for a water certificate of convenience and necessity.

The purpose of this application is for Del Rio Water Company to provide water service to approximately 3,000 acres in the Town of Chino Valley in Yavapai County.

Please let me know if you have any questions or need any additional information.

Sincerely,

Jeffrey C. Zimmerman

by (. Junion

JCZ/lkk

Enclosures cc: To

Tom Wick, Manager, Del Rio Water Company Kevin Nagai, Manager, Del Rio Water Company

ARIZONA CORPORATION COMMISSION

APPLICATION FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY

WATER AND/OR SEWER

| A. | The name, address and telephone number of the Applicant (Company) is: |
|----|--|
| | Del Rio Water Company, LLC |
| | 411 108th Avenue, N.E., Suite 1970 |
| | Bellevue, WA 98004-5554 |
| | Phone: Kevin Nagai 425-646-3000 |
| B. | If doing business (d.b.a.) under a name other than the Applicant (Company) name listed above specify: |
| | N/A |
| C. | List the name, address and telephone number of the management contact: Del Rio Water Company, LLC |
| | 411 108th Avenue, N.E., Suite 1970 |
| | Bellevue, WA 98004-5554 |
| | Phone: Kevin Nagai 425-646-3000 |
| D. | List the name, address and telephone number of the attorney for the Applicant: |
| | Jeffrey C. Zimmerman, Esq. Moyes Storey Ltd. |
| | 1850 N. Central Ave. #1100 |
| | Phoenix, AZ 85004 |
| | Phone: 602-604-2141 |
| E. | List the name, address and <u>telephone number</u> of the operator certified by the Arizona Department of Environmental Quality: |
| | Michael S. Young, Fann Environmental Inc. ADEQ #03399 |

| 3101 Clearwater Dr. Suite C | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|
| Prescott, AZ 86305 Phone: | 928-778-5871 | | | | | | | | | | |
| Fann Environmental, Inc. | List the name, address and telephone number of the on-site manager of the utility: Fann Environmental, Inc. | | | | | | | | | | |
| 3101 Clearwater Cr. Suite C | | | | | | | | | | | |
| Prescott, AZ 86305 Phone: | 928-778-5871 | | | | | | | | | | |
| G. The Applicant is a: | | | | | | | | | | | |
| Corporation: | Partnership | | | | | | | | | | |
| "C", "S", Non-Profit | Limited,General | | | | | | | | | | |
| Arizona, Foreign | Arizona, Foreign | | | | | | | | | | |
| Sole Proprietorship | x Limited Liability Company (LLC) | | | | | | | | | | |
| Other (Specify) | | | | | | | | | | | |
| H. If Applicant is a corporation: N/A 1. List names of Officers and Directors: | | | | | | | | | | | |
| Officers | Directors | | | | | | | | | | |
| | | | | | | | | | | | |
| N/A | N/A | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |

| | | Attach a copy of the corporation's "Certificate of Good Standing" issued by the orporation's Division of the Arizona Corporation Commission. |
|----|----|---|
| | 3. | Attach a copy of the Articles of Incorporation. N/A |
| | 4. | Attach a copy of the corporation's By-Laws. N/A |
| | 5. | If a for-profit corporation, indicate the number of shares of stock authorized for issue: N/A |
| | 6. | If stock has been issued, indicate the number of shares issued and date of issue: |
| | | N/A |
| | | |
| H. | If | the Applicant is a partnership: N/A |
| | 1. | List the names of the general partners: |
| | | N/A |
| | | |
| | 2. | List the name, address and telephone number of the managing partners: |
| | | N/A |
| | | |
| | | |
| | 3. | Attach a copy of the Partnership's Articles of Partnership. N/A |
| | | If the Applicant is a foreign limited partnership, provide a copy of the Partnership's "Certificate of Registration" filed with the Arizona Secretary of State. |
| | | the Applicant is a sole proprietor, list the name, address and telephone number of the etor: |
| | | N/A |
| | | |

| ζ. If the Applicant is a Limited Liability Company: | |
|--|-------------------------|
| 1. List the names of managers: | |
| H. Thomas Wick | |
| Kevin Nagai | |
| List the names and addresses of any other public utility interest, which the applicant may | have: |
| N/A | |
| M. Attach a description of the area requested using CADASTRAL (quarter section desc Metes and Bounds survey. References to parcels and dockets will not be accepted. | cription) or |
| N. Attach a detailed map using the form provided as Attachment "B". Shade and outline the equested. Also, indicate any other utility within the general area using different colors. | ne area Attached |
| D. Attach financial information in a format similar to Attachment "C". Financial information is being updated to be late filed. Explain the method of financing utility facilities. Refer to the instructions, item no. 7. (Use heets if necessary): | by 4/15/0 additional |
| To be filed with financial information by $4/15/08$ | |
| Q. Estimated starting and completion dates of construction of utility facilities: | |
| Starting date 2/1/2009 Completion 12/31/2009 | |
| R. Attach proposed Tariffs using either the water or sewer format of Attachment "D", unle Utilities Division, prior to the filing of this application, approves another form. | ess the |
| Attach the following permits: | heđ |

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Legal description of the area being requested.

EXHIBIT "A"

PARCEL 1:

The following described lands situated in Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian:

- (A) The West half of Section 27;
 - (B) All of Section 33.

PARCEL 2:

The following described land situated in Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian:

The South half of the Southeast quarter of Section 22; the Southwest quarter of the Northwest quarter and the Northwest quarter of the Southwest quarter of Section 26; the West half of the Northeast quarter; the Southeast quarter of the Northeast quarter and the Northeast quarter of the Southeast quarter of Section 27.

EXCEPTING therefrom all those portions of the herein above described parcel of land lying Easterly of a line which is parallel and/or concentric with and distant Westerly 100 feet at right angles from the center line of the main track of the California, Arizona and Santa Fe Railway Company as now constructed across said land.

EXCEPTING from the West half of the Northeast quarter of Section 27, Township 17 North, Range 2 West:

Any portion lying within Parcel 18 described herein.

PARCEL 3:

The following described lands situated in Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian:

The Northeast quarter of the Northeast quarter of Section 27;

EXCEPTING therefrom all that portion of the herein above described parcel of land lying Easterly of a line which is parallel and/or concentric with and distant Westerly 100 feet at right angles from the center line of the main track of the California, Arizona and Santa Fe Railway Company as now constructed across said land.

PARCEL 4:

The following described lands situated in Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian:

The Southwest quarter of the Southwest quarter of Section 26; the East half of the Northeast quarter of Section 34; the Northwest quarter of the Northwest quarter; the Southwest quarter of the Northwest quarter of Section 35;

EXCEPTING therefrom all that portion of the Southwest quarter of the Southwest quarter of Section 26 lying Easterly of the following described line:

BEGINNING at the point of intersection of the Southerly line of said Southwest quarter of the Southwest quarter of Section 26 with a line which is parallel with and distant Westerly 903.00 feet at right angles from the center line of the main track of the California, Arizona and Santa Fe Railway Company as now constructed;

Thence Northerly along said parallel line to the point of ending in the Northerly line of said Southwest quarter of the Southwest quarter of Section 26.

ALSO EXCEPTING a tract of land 300 feet square and a strip of land 70 feet wide, conveyed to the City of Prescott by Deed dated November 10, 1900, recorded in Book 52 of Deeds, Page 390, described in said Deed as follows:

BEGINNING at the Southwest Corner No. 1, whence a stake and pile of stones representing the Southwest corner of said Section 26 bears West 530 feet;

Thence East 300 feet to Corner No. 2;

Thence North 300 feet to Corner No. 3;

Thence West 300 feet to Corner No. 4;

Thence South 300 feet to Corner No. 1, the PLACE OF BEGINNING, and also

A strip of land 70 feet wide and about 560 feet long, being 35 feet on each side of the center line of the railroad spur running across the Eastern portion of said Southwest quarter of the Southwest quarter from the main line of the Santa Fe, Prescott and Phoenix Railroad to the East side of the plot of ground above described.

PARCEL 5:

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The following described lands situated in Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian:

- (A) The Southeast quarter of the Southwest quarter of Section 22.
- (B) The West half of the Southeast quarter and the Southeast quarter of the Southeast quarter of Section 27.
- (C) All of Section 28.
- (D) The South half of, and the West half of the Northwest quarter of Section 34.

EXCEPTING therefrom 2 parcels of land more particularly described as follows:

(1) BEGINNING at a point 370 feet West from the Northeast corner of the West half of the

Northwest quarter of Section 34, above Township and Range;

Thence East along the North line of said Quarter section, 370 feet;

Thence South along the East side of the West half of said Quarter section to the South line of said Quarter section;

Thence West along the South line of said Quarter section, 370 feet;

Thence North to the POINT OF BEGINNING, being described in Deed from Santa Fe Land Improvement Company to W.T. HALL, dated February 26, 1916.

(2) BEGINNING at the Southeast corner of said Section 34;

Thence Westerly along the South line said Section a distance of 556.96 feet to a point in the Easterly line of the 100 foot right of way for State Highway designated as U.S. Highway 89;

Thence Northwesterly on said Easterly line along a curve of 2342.01 feet radius concave Southwesterly, a distance of 274.6 feet to a point, the tangent to said curve at the beginning thereof, making a Northwestern angle of 81 degrees, 58 minutes with said Section line;

Thence Northwesterly on said Easterly line, along a tangent to said curve, a distance of 1144.0 feet to a point in the north line of said Southeast quarter of the Southeast quarter;

Thence Easterly along the said North line, making a Southeastern angle of 74 degrees, 31 minutes with said Easterly line of highway right of way, a distance of 917.6 feet to the Northeast corner of said Southeast quarter of the Southeast quarter;

Thence Southerly along the East line of said Section 34, a distance of 1364.0 feet to the POINT OF BEGINNING, being all of that portion of said Southeast quarter of the Southeast quarter lying Easterly of said highway right of way, said parcel being described in Deed from the California, Arizona and Santa Fe Railway Company, to James W. Cutbirth, dated November 4, 1940.

EXCEPTING from Parcels 1, 2 and 5 any portion lying within Parcel 17, below.

PARCEL 6:

The following described tract situated in the West half of the Northeast quarter of Section 34, Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian:

BEGINNING at a point in the center line of the county road (as it existed June 9, 1916), 690 feet, more or less, West from the Northeast corner of the West half of the Northeast quarter of said Section 34;

Thence East along the North line of said Quarter section, 690 feet, more or less;

Thence South along the East side of the West half of said Quarter section to the South line of said Quarter section;

Thence West along the South line of said Quarter section, 50 feet;

Thence in a Northwesterly direction in a direct line to the POINT OF BEGINNING.

EXCEPTING therefrom Parcels 1-6, the following described parcels:

AREA #1:

Those portions of the Northeast quarter of the Northeast quarter of Section 21; the Southeast quarter of the Southwest quarter of Section 22; the East half of the Northwest quarter; the Northeast quarter of the Southwest quarter; and the West half of the Southeast quarter of Section 27; and the East half of Section 34, Township 17 North, Range 2 West, which lie within a strip of land 200 feet in width, lying 100 feet on each side of the following described center line:

BEGINNING at the Northeast corner of said Section 21;

Thence South 88 degrees, 44 minutes, 20 seconds West along the North line of said Section, 117.37 feet to the TRUE POINT OF BEGINNING of the line to be described;

Thence South 11 degrees, 27 minutes, 40 seconds East, 554.31 feet to a point on the East line of Section 21, which said point is situated South 0 degrees, 45 minutes, 20 seconds West, 545.89 feet from the Northeast corner of said section;

Thence continuing South 11 degrees, 27 minutes, 40 seconds East, 778.58 feet;

Thence along a curve concave to the Northeast with a radius of 11,459.16 feet, a distance of 1611.11 feet;

Thence South 19 degrees, 31 minutes, 00 seconds East, 2775.48 feet to a point on the South line of Section 22, which said point is situated North 86 degrees, 18 minutes, 00 seconds East, 1581.39 feet from the Southwest corner of said Section 22;

Thence continuing South 19 degrees, 31 minutes, 00 seconds East, 5002.63 feet to Highway Engineer's Station P.C. 1602 + 31.08;

Thence along a curve concave to the Southwest, with a radius of 11459.16 feet, a distance of 948.33 feet;

Thence South 14 degrees, 46 minutes, 30 seconds East, 4690.68 feet to Highway Engineer's Station P.C. 1658 + 70.09;

Thence along a curve concave to the West with a radius of 4297.18 feet, a distance of 608 feet, more or less, to the South line of Section 34 of said Township and Range, and the termination of the center line described herein.

AREA #2:

BEGINNING at the Southwest corner of Section 22, Township 17 North, Range 2 West;

Thence North 86 degrees, 18 minutes, 00 seconds East along the South line of said Section, 1581.39 feet;

Thence North 19 degrees, 31 minutes, 00 seconds West, 78.45 feet;

Thence North 70 degrees, 29 minutes, 00 seconds East, 100 feet to a point on the Easterly line of above described Area #1 and the TRUE POINT OF BEGINNING;

Thence continuing North 70 degrees, 29 minutes, 00 seconds East, 70 feet, more or less, to the Westerly right of way line of existing U.S. Highway 89;

Thence Southerly along said right of way line to the Easterly line of Area #1, as aforesaid;

Thence North 19 degrees, 31 minutes, 00 seconds West along said Easterly line of Area #1 to the TRUE POINT OF BEGINNING.

EXCEPTING from Parcels 1 through 6, the following:

EXCEPTING of all oil, gas and other hydrocarbon substances and all mineral substances, contained in Agreement dated April 20, 1956, recorded August 9, 1956 in Book 82 of Official Records, Pages 209-225.

PARCEL 7:

A parcel of land situated in the Southeast quarter of the Southeast quarter of Section 34, Township 17 North, Range 2 West being all of that portion of said Southeast quarter of the Southeast quarter lying Easterly of the one hundred foot right of way for state highway, designated as U.S. Highway 89, described as follows:

BEGINNING at the Southeast corner of said Section 34;

Thence Westerly along the South line of said Section a distance of 556.96 feet to a point in the Easterly line of said highway right of way;

Thence Northwesterly on said Easterly line along a curve of 2342.01 foot radius, concave Southwesterly, a distance of 274.6 feet to a point, the tangent to said curve at the beginning thereof making a Northwestern angle of 81 degrees, 58 minutes, with said section line;

Thence Northwesterly on said Easterly line, along a tangent to said curve a distance of 1144.0 feet to a point in the North line of said Southeast quarter of the Southeast quarter;

Thence Easterly along said North line, making a Southeastern angle of 74 degrees, 31 minutes, with said Easterly line of the highway right of way, a distance of 917.6 feet to the Northeast corner of said Southeast quarter of the Southeast quarter;

Thence Southerly along the East line of said Section 34, a distance of 1364.0 feet to the POINT OF BEGINNING.

TOGETHER with all improvements situate thereon.

PARCEL 8:

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All that portion of the Northeast quarter of Section 29, Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, described as follows:

BEGINNING at the Northeast corner of Section 29 marked with a three-fourths inch iron pipe;

Thence South 00 degrees, 21 minutes East, (Basis of Bearing) 2,588.40 feet along the section line to a one-half inch rebar;

Thence North 87 degrees, 15 minutes West, 584.41 feet to a one-half inch rebar;

Thence North 05 degrees, 02 minutes, 54 seconds West, 2,605.69 feet along an old fence line to a one-half inch rebar on the North line of Section 29;

Thence South 87 degrees, 28 minutes East, 798.00 feet to the TRUE POINT OF BEGINNING.

RESERVING UNTO THE GRANTOR a 50.00 foot easement running parallel with and adjacent to the North line of the above described property.

PARCEL 9:

All that portion of the Northwest quarter of Section 15, Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, described as follows:

BEGINNING at the Northwest corner of the Section 15 marked with a two inch iron pipe set by Atchison, Topeka and Santa Fe Rail Road and William Check P.E. No. 2398 in 1962;

Thence North 88 degrees, 20 minutes, 36 seconds, East, 1743.67 feet to a one half inch rebar on the Westerly right of way 89 as shown on Yavapai County unrecorded plat #637 dated 1989;

Thence Southeasterly 264.52 feet on the right of way and along a curve to the right with a radius of 2856.45 feet and a Delta of 05 degrees, 18 minutes, 21 seconds;

Thence South 33 degrees, 12 minutes, 03 seconds East, 367.37 feet on the right of way to a point;

Thence Southerly 2142.29 feet on the right of way along a curve to the right with a radius of 3222.14 feet and a Delta of 38 degrees, 05 minutes, 38 seconds;

Thence South 04 degrees, 53 minutes, 35 seconds West 186.34 feet on the right of way to a one half inch rebar on the East West mid section line;

Thence South 87 degrees, 50 minutes, 24 seconds West 2468.88 feet to a one half inch pipe at the West quarter corner of Section 15;

Thence North 02 degrees, 40 minutes, 22 seconds West 2732.26 feet to the POINT OF

BEGINNING.

PARCEL 10:

All that certain tract of land described second in deed dated December 20, 1892, from George W. Banghart, recorded December 20, 1692 in Book 32 of Deeds at Page 233 of the records of the County Recorder of Yavapai County, all in Section 22, Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, amended and described as follows:

BEGINNING at the Northeast corner of Section 22 marked with a two inch iron pipe set by Atchison Topeka and Santa Fe Pacific Rail Road and William Cheek P.E. No. 2398 in 1952;

Thence South 01 degrees, 00 minutes, 56 seconds West 1975.63 feet along the Section line to a point;

Thence South 83 degrees, 07 minutes, 38 seconds West 341.92 feet to an Atchison, Topeka and Santa Fe Rail Road brass cap monument set in concrete and the TRUE POINT OF BEGINNING:

Thence South 89 degrees, 07 minutes, 38 seconds West, 419.90 feet to an Atchison, Topeka and Santa Fe Rail Road brass cap set in concrete on the Easterly Rail Road right of way at station 1789 + 46.7;

Thence North 18 degrees, 11 minutes, 45 seconds West, 467.77 feet along the right of way to an Atchison, Topeka and Santa Fe Rail Road brass cap monument set in concrete;

Thence North 77 degrees, 30 minutes, 07 seconds East, 625.13 feet to an Atchison, Topeka and Santa Fe Rail Road brass cap set in concrete;

Thence South 04 degree 25 minutes, 43 seconds West 574.98 feet to the TRUE POINT OF BEGINNING.

PARCEL 11:

All that portion of the Southeast quarter of the Southeast quarter of Section 22, Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, described as follows:

BEGINNING at the Southeast corner of Section 22 marked with a one and one-half iron pipe set by Atchison, Topeka and Santa Fe Railroad and William Cheek P.E. No. 2398 in 1962;

Thence North 02 degrees, 02 minutes, 19 seconds East, 23.07 feet to an Atchison, Topeka and Santa Fe Railroad brass cap monument set in concrete;

Thence North 01 degrees, 00 minutes, 35 seconds East, 1349.96 to an Atchison, Topeka and Santa Fe Railroad brass cap set in concrete;

Thence South 86 degrees, 40 minutes, 57 seconds West, 411.37 feet to the Easterly right of way

of the abandoned Atchison, Topeka and Santa Fe Railroad;

Thence South 01 degrees, 40 minutes, 29 seconds East, 46.39 feet along the right of way to the B.O. of a curve:

Thence Southeasterly 463.39 feet along the right of way on a curve to the left with a radius of 1066.15 feet and a Delta of 24 degrees, 54 minutes, 11 seconds;

Thence South 26 degrees, 34 minutes, 40 seconds East 487.87 feet along the right of way to a point on the South line of Section 22;

Thence North 86 degrees, 27 minutes 34 seconds East 41.95 feet to the POINT OF BEGINNING.

PARCEL 12:

All that portion of the Southwest quarter of the Northwest quarter and the Northwest quarter of the southwest quarter of Section 26, Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County Arizona, described as follows:

BEGINNING at the Southwest corner of Section 25 marker with a two inch iron pipes set by Atchison, Topeka and Santa Fe Rail Road and William Cheek P.E. No. 2398 in 1962;

Thence South 87 degrees, 31 minutes, 41 seconds East 1342.35 feet along the Section line to a point;

Thence North 00 degrees, 40 minutes, 27 seconds West 1355.79 feet to an Atchison, Topeka and Santa Fe Rail Road brass cap monument set in concrete;

Thence North 00 degrees, 44 minutes, 50 seconds West 834.46 feet to an Atchison, Topeka and Santa Fe Rail Road brass cap monument as set in concrete on the Westerly right of way of the abandoned Rail Road;

Thence North 00 degrees, 46 minutes, 24 seconds West 320.67 feet to the Easterly right of way of the abandoned Rail Road and the TRUE POINT OF BEGINNING;

Thence North 00 degrees, 46 minutes, 24 seconds West 80.08 feet to an Atchison, Topeka and Santa Fe Rail Road brass cap set in concrete;

Thence North 00 degrees, 46 minutes, 09 seconds West 1556.90 feet to an Atchison, Topeka and Santa Fe Rail Road brass cap set in concrete;

Thence North 85 degrees, 16 minutes, 50 seconds West 988.77 feet to the Easterly right of way of the abandoned Rail Road;

Thence South 12 degrees, 54 minutes,, 47 seconds East 545.95 feet along right of way to the B.C. of a curve;

Thence Southeasterly 297.76 feet on the right of way along a curve to the left with a radius of 645.25 feet and a Delta of 26 degrees, 26 minutes, 23 seconds;

Thence South 39 degrees, 21 minutes, 10 seconds East 1191.31 feet to the TRUE POINT OF BEGINNING.

PARCEL 13:

All that portion of the Northeast quarter of the Southwest quarter of Section 26, Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, and described as that certain 5.64 acre parcel of land described in Deed dated March 19, 1930 from Nelson and Olga Pryor Puntenney, recorded March 25, 1930 in Book 147 of Deeds, Page 585, in the Yavapai County Recorder's Office, AMENDED and described as follows:

BEGINNING at the Southwest corner of Section 26 marked with a two inch iron pipe set by Atchison, Topeka and Santa Fe Railroad and William Cheek P.E. 2398 in 1962;

Thence South 87 degrees, 31 minutes, 41 seconds East, 1342.35 feet along the Section line to a point;

Thence North 00 degrees, 40 minutes, 27 seconds West, 1355.79 feet to an Atchison, Topeka and Santa Fe Railroad brass cap monument set in concrete and the TRUE POINT OF BEGINNING;

Thence North 00 degrees, 44 minutes, 50 seconds West, 834.46 feet to an Atchison, Topeka and Santa Fe Railroad brass cap set in concrete on the Westerly right-of-way of the abandoned railroad;

Thence South 39 degrees, 21 minutes, 10 seconds East, 10.76 feet along right-of-way to the B.C. of a curve:

Thence Southeasterly, 488.93 feet on the right-of-way along a curve to the right with a radius of 834.17 feet and a delta of 33 degrees, 34 minutes, 59;

Thence South 03 degrees, 46 minutes, 11 seconds East, 395.42 feet along the right-of-way to a point:

Thence North 86 degrees, 46 minutes, 32 seconds Wet, 220.96 feet to the TRUE POINT OF BEGINNING.

PARCEL 14:

All that portion of the Southeast quarter and the Northeast quarter of the Southwest quarter of Section 26, Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, and described as that certain 1.84 acre parcel of land described in Deed dated March 19, 1930 from Nelson and Olga Pryor Puntenney, recorded March 25, 1930 in Book 147 of Deeds, Page 585, and all that certain 0.96 acre parcel described in Deed dated April 18, 1941 from James W. Cutbirth, recorded May 7, 1941 in Book 177 of Deeds, Page 496, in Yavapai County Recorder's Office, AMENDED and described as follows:

BEGINNING at the Southwest corner of Section 26, marked with a two inch iron pipe set by Atchison, Topeka and Santa Fe Railroad and William Cheek P.E. No. 2398 in 1962;

Thence South 87 degrees, 31 minutes, 41 seconds East, 1886.62 feet along the Section line to a point on the Easterly right-of-way of the abandoned Railroad;

Thence North 05 degrees, 46 minutes, 11 seconds West, 1151.91 feet along right-of-way to an Atchison, Topeka and Santa Fe Railroad brass cap monument set in concrete and the TRUE POINT OF BEGINNING;

Thence North 05 degrees, 46 minutes, 11 seconds West, 609.92 feet to an Atchison, Topeka and Santa Fe Railroad brass cap set in concrete on the Easterly right-of-way of the abandoned Railroad;

Thence South 85 degrees, 46 minutes, 14 seconds East, 200.01 feet to an Atchison, Topeka and Santa Fe Railroad brass cap set in concrete;

Thence South 05 degrees, 49 minutes, 16 seconds East, 610.00 feet to an Atchison, Topeka and Santa Fe Railroad brass cap monument set in concrete;

Thence North 86 degrees, 46 minutes, 12 seconds West, 220.56 feet to the TRUE POINT OF BEGINNING.

PARCEL 15:

All that portion of the Southeast quarter of the Southwest quarter of Section 26, Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, and described as that portion lying West of the Railroad right-of-way and East of the existing fence, AMENDED and described as follows:

BEGINNING at the Southwest corner of Section 26 marked with a two inch iron pipe set by Atchison, Topeka and Santa Fe Railroad and William Cheek P.E. No. 2398 in 1962;

Thence South 87 degrees, 31 minutes, 41 seconds East, 1342.35 feet along the Section line the TRUE POINT OF BEGINNING;

Thence North 08 degrees, 34 minutes, 45 seconds East, 246.37 feet along the fence (and its extension Southerly to the Section line) to a point;

Thence North 14 degrees, 31 minutes, 40 seconds East, 800.26 feet along the fence to the Westerly right-of-way of the abandoned Railroad;

Thence South 05 degrees, 46 minutes, 11 seconds East, 1038.30 feet along right-of-way to the South line of Section 26;

Thence North 87 degrees, 31 minutes, 41 seconds West, 342.18 feet to the TRUE POINT OF BEGINNING.

PARCEL 16:

All that portion of the Southwest quarter of the Southwest quarter of Section 23 and the Northwest quarter of the Northwest quarter of Section 26, Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, described as follows:

BEGINNING at the Southeast corner of the Northwest quarter of the Northwest quarter of Section 26 marked with an Atchison, Topeka and Santa Fe Railroad brass monument;

Thence North 85 degrees, 16 minutes, 50 seconds West, 936.30 feet along the Southerly line of the Northwest quarter of the Northwest quarter of Section 26 to the Easterly right-of-way of the abandoned Atchison, Topeka and Santa Fe Railroad;

Thence North 12 degrees, 55 minutes, 36 seconds West, 862.48 feet along said right-of-way to a point;

Thence 479.35 feet, along said right-of-way on a curve to the left with a radius of 2009.86 feet, delta = 13 degrees, 39 minutes, 54 seconds and a chord bearing North 19 degrees, 45 minutes, 33 seconds West, 478.21 feet to a point;

Thence North 26 degrees, 35 minutes, 30 seconds West, 155.98 feet along said right-of-way to an Atchison, Topeka and Santa Fe Railroad brass cap monument marking the Section line common to Sections 22 and 23;

Thence North 01 degrees, 00 minutes, 33 seconds East, 1349.96 feet along said Section line to an Atchison, Topeka and Santa Fe Railroad brass monument;

Thence South 25 degrees, 01 minutes, 32 seconds East, 3152.96 feet to the TRUE POINT OF BEGINNING.

PARCEL 17:

All that portion of the South half of the South half of Section 22, and the North half of Section 27, Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, described as follows:

BEGINNING at the Southwest corner of Section 22 marked with a 40 penny nail in a rock mound:

Thence North 00 degrees, 48 minutes, 35 seconds East, along the Section line 1349.69 feet to a one-half inch rebar marking the one-sixteenth corner;

Thence North 86 degrees, 35 minutes, 18 seconds East, 1906.29 feet along the North line of the South one-half of the South one-half of Section 22 to a one-half inch rebar on the Easterly right-of-way line of old U.S. Highway 89 and the TRUE POINT OF BEGINNING;

Thence North 86 degrees, 35 minutes, 18 seconds East, 792.23 feet to a five-eighth inch rebar at the Northeast corner of the Southeast quarter of the Southwest quarter of Section 22;

Thence North 86 degrees, 36 minutes, 00 seconds East, 276.00 feet to a one-half inch rebar;

Thence South 13 degrees, 40 minutes, 18 seconds East, 371.15 feet to a one-half inch rebar;

Thence South 04 degrees, 24 minutes, 40 seconds West, 219.56 feet to a one-half inch rebar;

Thence South 19 degrees, 30 minutes, 50 seconds West, 491.51 feet to a one-half inch rebar;

Thence South 26 degrees, 26 minutes, 59 seconds West, 1788.80 feet to a one-half inch rebar on the Easterly right-of-way of the new (1962) U.S. Highway 89;

Thence North 19 degrees, 26 minutes, 58 seconds West, 915.70 feet along said right-of-way to a one-half inch rebar at the intersection of the fences marking the new and old Highway 89 Easterly boundary;

Thence Northeasterly, 209.84 feet along a curve concave to the East having a radius of 1325.49 feet and a delta of 09 degrees, 04 minutes, 14 seconds, to a six inch by six inch old Highway 89 right-of-way post marked station 1593 + 01.4, said curve marked by an old Highway right-of-way fence;

Thence North 04 degrees, 50 minutes, 09 seconds East, 1513.19 feet along the Easterly right-of-way of old U.S. Highway 89 to the TRUE POINT OF BEGINNING.

EXCEPTING all oil, gas and other hydrocarbon substances and all mineral substances as contained in said Agreement dated April 20, 1956, recorded August 9, 1956 in Book 82 of Official Records, Pages 209-225.

EXCEPT that portion of the South half of the South half of Section 22, Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, described as follows:

BEGINNING at the Southwest corner of Section 22 marked with a 40-penny nail in a rock mound;

Thence North 00 degrees, 48 minutes, 35 seconds East, along the Section line, 1349.69 feet to a 1/2 inch rebar marking the 1/16th corner;

Thence North 86 degrees, 35 minutes, 18 seconds East, 1906.29 feet along the North line of the South half of the South half of Section 22 to a 1/2 inch rebar on the Easterly right-of-way of old U.S. Highway 89 and the TRUE POINT OF BEGINNING;

Thence North 86 degrees, 35 minutes, 18 seconds East, 370 feet;

Thence South 4 degrees, 50 minutes, 09 seconds West, 401.08 feet;

Thence South 85 degrees, 09 minutes, 51 seconds East, 132.83 feet;

Thence South 4 degrees, 50 minutes, 09 seconds West, 729 feet;

Thence North 85 degrees, 09 minutes, 51 seconds West, 499.00 feet to a point on the Easterly

right-of-way of old U.S. Highway 89;

Thence North 4 degrees, 50 minutes, 09 seconds East, along said Easterly right-of-way, 1077 feet to the TRUE POINT OF BEGINNING.

PARCEL 18:

All that portion of Section 27, Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, described as follows:

BEGINNING at the Southeast corner of Section 27 marked with a one and one-half inch iron pipe;

Thence South 87 degrees, 53 minutes, 03 seconds West, (basis of bearing) 5369.20 feet to a one and one-half inch bent iron pipe at the Southwest corner of Section 27;

Thence North 51 degrees, 14 minutes, 15 seconds East, 4320.80 feet to a one-half inch rebar and the TRUE POINT OF BEGINNING;

Thence North 04 degrees, 37 minutes, 43 seconds East, 341.47 feet to a one-half inch rebar;

Thence North 61 degrees, 45 minutes, 48 seconds East, 340.88 feet to a one-half inch rebar; Thence South 12 degrees, 24 minutes, 50 seconds West, 441.52 feet to a one-half inch rebar;

Thence South 20 degrees, 07 minutes, 50 seconds West, 21.23 feet to a one-half inch rebar;

Thence South 77 degrees, 23 minutes, 08 seconds West, 231.23 feet to the TRUE POINT OF BEGINNING.

PARCEL 19:

A parcel of land situate in a portion of the Southeast quarter of Section 15, Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, more particularly described as follows:

COMMENCING at the West quarter corner of said Section 15, being marked by a brass cap monument set in concrete stamped "W.J. Cheek P.E. #2398";

Thence South 88 degrees, 07 minutes, 05 seconds West, a distance of 2188.99 feet to a point on the East-West mid-section line of said Section 15 marked with a half inch rebar, said point also being the TRUE POINT OF BEGINNING;

Thence South 17 degrees, 53 minutes, 42 seconds East, along the Easterly right of way line of the Atchison, Topeka and Santa Fe Railroad, a distance of 1436.82 feet to a point on the Southerly line of the Northwest quarter of the Southeast quarter of said Section 15;

Thence South 87 degrees, 53 minutes, 35 seconds West, along said Southerly line, a distance of 207.84 feet;

Thence North 17 degrees, 53 minutes, 42 seconds West, along the Westerly right of way line of the Atchison, Topeka and Santa Fe Railroad, a distance of 1437.67 feet;

Thence North 88 degrees, 07 minutes, 05 seconds East, along said mid-section line, a distance of 208.07 feet to the TRUE POINT OF BEGINNING.

PARCEL 20:

A parcel of land situate in a portion of the Southwest quarter of the Southeast quarter of Section 15, the East half of Section 22 and the Northeast quarter of the Northeast quarter of Section 27, Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, more particularly described as follows:

BEGINNING at the Southeast corner of said Section 22, said point marked by a 2 inch pipe;

Thence South 00 degrees, 25 minutes, 04 seconds East, along said Easterly line of said Section 27, a distance of 539.19 feet to a point on the Westerly right of way line of the Atchison, Topeka and Santa Fe Railroad and the beginning of a non-tangent curve, concave Southwesterly, whose radius point bears South 75 degrees, 55 minutes, 19 seconds, West, a distance of 1809.86 feet;

Thence along the following 8 courses being on the Westerly right of way of the Atchison, Topeka and Santa Fe Railroad;

Thence Northerly along said Westerly right of way line and said curve to the left, through a central angle of 10 degrees, 17 minutes, 17 seconds, an arc distance of 324.98 feet to a point of tangency;

Thence North 24 degrees, 21 minutes, 58 seconds West, a distance of 746.24 feet to the beginning of tangent curve, concave Northeasterly, whose radius point bears North 65 degrees, 38 minutes, 02 seconds East, a distance of 1245.92 feet;

Thence Northerly, along said curve to the right through a central angle of 23 degrees, 28 minutes, 17 seconds, an arc distance of 510.39 feet to a point of tangency;

Thence North 00 degrees, 53 minutes, 41 seconds West, a distance of 401.17 feet to a point on the Northerly line of the Southeast quarter of the Southeast quarter of said Section 22;

Thence North 86 degrees, 59 minutes, 12 seconds East, along said Northerly line of the Southeast quarter of the Southeast quarter, a distance of 50.03 feet;

Thence North 00 degrees, 53 minutes, 41 seconds West, a distance of 1109.60 feet to the beginning of a tangent curve concave Westerly, whose radius point bears South 89 degrees, 06 minutes, 19 seconds West, a distance of 1095.92 feet;

Thence Northerly along said curve to the left, through a central angle of 17 degrees, 00 minutes, 01 seconds, an arc distance of 325.17 feet to a point of tangency;

Thence North 17 degrees, 53 minutes, 42 seconds West, a distance of 4223.45 feet to a point on the Northerly line of the Southwest quarter of the Southeast quarter of said Section 15;

Thence North 87 degrees, 53 minutes, 35 seconds East, along said Northerly line, a distance of 103.92 feet;

Thence along the following 6 courses being on the Easterly right of way line of the Atchison, Topeka and Santa Fe Railroad;

Thence South 17 degrees, 53 minutes, 42 seconds East, a distance of 4195.18 feet to the beginning of a tangent curve, concave Southwesterly, whose radius point bears South 72 degrees, 06 minutes, 18 seconds West, a distance of 1195.95 feet;

Thence Southerly along said curve to the right, through a central angle of 17 degrees, 00 minutes, 01 seconds, an arc distance of 354.84 feet to a point of tangency;

Thence South 00 degrees, 53 minutes, 41 seconds East, a distance of 1512.62 feet to the beginning of a tangent curve, concave Northeasterly, whose radius point bears North 89 degrees, 06 minutes, 19 seconds East, a distance of 1095.92 feet;

Thence along said curve to the left, through a central angle of 23 degrees, 18 minutes, 17 seconds, an arc distance of 448.95 feet to a point of tangency;

Thence South 24 degrees, 21 minutes, 58 seconds East, a distance of 561.40 feet to a point on the Southerly line of said Section 22;

Thence North 86 degrees, 45 minutes, 31 seconds East, along said Southerly line, a distance of 42.60 feet to the TRUE POINT OF BEGINNING.

PARCEL 21:

A parcel of land situate in a portion of the Northwest quarter of the Northwest quarter of Section 26 and the Southwest quarter of the Southwest quarter of the Section 23, Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, more particularly described as follows:

BEGINNING at the Northwest corner of said Section 26 being marked by a 2 inch iron pipe;

Thence North 02 degrees, 14 minutes, 21 seconds East, a distance of 22.91 feet to point marked by an Atchison, Topeka and Santa Fe brass cap set in concrete;

Thence along the following 3 courses on the Easterly right of way line of the Atchison, Topeka and Santa Fe Railroad;

Thence South 24 degrees, 21 minutes, 58 seconds East, a distance of 189.97 feet to the beginning of a tangent curve, concave Southwesterly, whose radius point bears South 65 degrees, 38 minutes, 02 seconds West, a distance of 2009.86 feet;

Thence Southeasterly along said curve to the right, through a central angle of 10 degrees, 50 minutes, 17 seconds, an arc distance of 380.18 feet to a point of tangency;

Thence South 13 degrees, 31 minutes, 41 seconds East, a distance of 925.57 feet to a point on the Southerly line of the Northwest quarter of the Northwest quarter of said Section 26;

Thence North 84 degrees, 58 minutes, 20 seconds West, along said Southerly line, a distance of 210.97 feet;

Thence along the following 2 courses being on the Westerly right of way line of the Atchison, Topeka and Santa Fe Railroad;

Thence North 13 degrees, 31 minutes, 41 seconds West, a distance of 858.44 feet to the beginning of a tangent curve, concave Southwesterly, whose radius point bears South 76 degrees, 28 minutes, 19 seconds West, a distance of 1809.86 feet;

Thence Northwesterly along said curve to the left, through a central angle of 00 degrees, 33 minutes, 00 seconds, an arc distance of 17.37 feet to a point on the Westerly line of said Section 26;

Thence North 00 degrees, 25 minutes, 04 seconds West, along said Westerly line a distance of 539.13 feet to the TRUE POINT OF BEGINNING.

PARCEL 22:

A parcel of land situate in a portion of the Southwest quarter of the Northwest quarter of Section 26, Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, more particularly described as follows:

COMMENCING at the Northwest corner of said corner Section 26 being marked by a 2 inch

iron pipe;

Thence South 00 degrees, 25 minutes, 04 seconds East, along the Westerly line of said Section 26, a distance of 1373.15 feet to a point on the Northerly line of the Southwest quarter of the Northwest quarter of said Section 26;

Thence South 84 degrees, 58 minutes, 20 seconds East, along said Northerly line, a distance of 199.64 feet from which the Southeast corner of the Northwest quarter of the Northwest quarter of said Section 26, marked with an Atchison, Topeka and Santa Fe brass cap bears South 84 degrees, 58 minutes, 20 seconds East, a distance of 1145.82 feet, said point also being the TRUE POINT OF BEGINNING;

Thence continuing South 84 degrees, 58 minutes, 20 seconds East, along said Northerly line, a distance of 158.23 feet;

Thence along the following 3 courses being on the Easterly right of way line of the Atchison, Topeka and Santa Fe Railroad;

Thence South 39 degrees, 03 minutes, 21 seconds East, a distance of 724.31 feet to the beginning of a tangent curve, concave Northeasterly, whose radius point bears North 76 degrees, 28 minutes, 19 seconds East, a distance of 904.93 feet;

Thence Southeasterly along said curve to the left, through a central angle of 25 degrees, 31 minutes, 40 seconds, an arc distance of 403.19 feet to a point of tangency.

Thence South 39 degrees, 03 minutes, 21 seconds East, a distance of 724.31 feet to a point on the East-West mid-section line of said Section 26;

Thence North 85 degrees, 43 minutes, 14 seconds West, along said East-West mid-section line, a distance of 206.23 feet;

Thence along the following 3 courses being on the Westerly right of way line of the Atchison, Topeka and Santa Fe Railroad;

Thence North 39 degrees, 03 minutes, 21 seconds West, a distance of 582.78 feet to the beginning of a tangent curve, concave Northeasterly, whose radius point bears North 50 degrees, 56 minutes, 39 seconds East, a distance of 1054.93 feet;

Thence Northerly along said curve to the right, through a central angle of 25 degrees, 31 minutes, 40 seconds, an arc distance of 470.02 feet to a point of tangency;

Thence North 13 degrees, 31 minutes, 41 seconds West, a distance of 567.91 feet to the TRUE POINT OF BEGINNING.

PARCEL 23:

A parcel of land situate a portion of the Southwest quarter of Section 26, Township 17 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, more particularly described as follows:

COMMENCING at the Southwest corner of said Section 26, being marked by a 1 1/2 inch iron pipe;

Thence South 87 degrees, 13 minutes, 26 seconds East, along the Southerly line of said Section 26, a distance of 1683.96 feet to the TRUE POINT OF BEGINNING;

Thence along the following 3 courses being on the Westerly right of way line of the Atchison, Topeka and Santa Fe Railroad;

Thence North 05 degrees, 27 minutes, 29 seconds West, a distance of 1753.47 feet to the beginning of a tangent curve, concave Southwesterly, whose radius point bears South 84 degrees, 32 minutes, 31 seconds West, a distance of 854.93 feet;

Thence Northwesterly along said curve to the left, through a central angle of 33 degrees, 35 minutes, 52 seconds, an arc distance of 501.32 feet to a point of tangency;

Thence North 39 degrees, 03 minutes, 21 seconds West, a distance of 718.46 feet to a point on the East-West mid-section line of said Section 26;

Thence South 85 degrees, 43 minutes, 14 seconds East, along said East-West mid-section line, a distance of 206.23 feet;

Thence along the following 5 courses being on the Easterly right of way line of the Atchison, Topeka and Santa Fe Railroad;

Thence South 39 degrees, 03 minutes, 21 seconds East, a distance of 384.54 feet;

Thence North 00 degrees, 24 minutes, 17 seconds West, a distance of 80.05 feet;

Thence South 39 degrees, 03 minutes, 21 seconds East, a distance of 254.91 feet to the beginning of a tangent curve, concave Southwesterly, whose radius point bears South 50 degrees, 56 minutes, 39 seconds West, a distance of 1054.93 feet;

Thence Southeasterly along said curve to the right, through a central angle of 33 degrees, 35 minutes, 52 seconds, an arc distance of 618.60 feet to a point of tangency;

Thence South 05 degrees, 27 minutes, 29 seconds East, a distance of 1782.41 feet;

Thence North 87 degrees, 13 minutes, 26 seconds West, along the Southerly line of said Section 26, a distance of 202.08 feet to the TRUE POINT OF BEGINNING.

EXCEPTING all coal and other minerals as reserved in Patent recorded in Book 154 of Deeds, Page 121 and in Book 147 of Deeds, Page 5. (affects Section 26)

PARCEL 24:

A strip of land 20 feet in width situated within the West half of Section 27, Township 17 North, Range 2 West lying on the Easterly side of, parallel with and immediately adjacent to the new Easterly right of way line of the Prescott-Ash Fork Highway between Highway Engineer's Stations 1570 + 00 and 1582 + 00.

PARCEL 25:

A strip of land 50 feet in width situated within the Northeast quarter of Section 34, Township 17 North, Range 2 West lying on the Easterly side of, parallel with and immediately adjacent to the new Easterly right of way line of the Prescott-Ash Fork Highway between Highway Engineer's Stations 1623 + 00 and 1630 + 00.

PARCEL 26:

A strip of land 50 feet in width situated within the Southeast quarter of Section 34, Township 17 North, Range 2 West lying on the Westerly side of, parallel with and immediately adjacent to the new Westerly right of way line of the Prescott-Ash Fork Highway between Highway Engineer's Stations 1660 + 00 and the North line of said Southeast quarter.

PARCEL 27:

BEGINNING at a point on the South line of Section 22, Township 17 North, Range 2 West, which point bears North 86 degrees, 18 minutes, 00 seconds East, 1581.39 feet from the Southwest corner of said Section 22;

Thence North 19 degrees, 31 minutes, 00 seconds West, 678.45 feet;

Thence North 70 degrees, 29 minutes, 00 seconds East, 100 feet to the TRUE POINT OF BEGINNING;

Thence continuing North 70 degrees, 29 minutes, 00 seconds East, 300 feet;

Thence North 19 degrees, 31 minutes, 00 seconds West, 300 feet;

Thence South 70 degrees, 29 minutes, 00 seconds West, 300 feet;

Thence South 19 degrees, 31 minutes, 00 seconds East, 300 feet to the TRUE POINT OF BEGINNING.

EXCEPTING all oil, gas and other hydrocarbon substances and all mineral substances, contained in Agreement dated April 20, 1956, recorded August 9, 1956 in Book 82 of Official Records, Pages 209-225.

EXHIBIT "A"

Property that is part of Exhibit A

PARCEL 1:

A PARCEL OF GROUND LYING IN SECTION 34, TOWNSHIP 17 NORTH, RANGE 2 WEST, G.&S.R.M., YAVAPAI COUNTY, ARIZONA DESCRIBED AS FOLLOWS:

COMMENCING AT A FOUND 2 INCH IRON PIPE ACCEPTED AS THE NORTHWEST CORNER OF SECTION 34 FROM WHICH, A FOUND ½" REBAR WITH PLASTIC CAP STAMPED "RLS 29891," ACCEPTED AS THE NORTH QUARTER CORNER OF SECTION 34 LIES NORTH 87°59'34" EAST (BASIS OF BEARINGS FOR THIS DESCRIPTION AS DEPICTED ON A RESULTS OF SURVEY PLAT RECORDED IN BOOK 132 OF LAND SURVEYS, PAGE 68 IN THE YAVAPAI COUNTY RECORDER'S OFFICE) A DISTANCE OF 2684.82 FEET;

THENCE NORTH 87°59'44" EAST 872.59 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015";

THENCE NORTH 00°06'59" WEST 81.84 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015";

THENCE SOUTH 89°29'54" EAST 901.49 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015";

THENCE SOUTH 89°36'04" EAST 597.64 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015";

THENCE SOUTH 89°47'22" EAST 471.71 FEET TO A POINT ON THE NORTH LINE OF SECTION 34 AND THE TRUE POINT OF BEGINNING;

THENCE CONTINUING SOUTH 89°47'22" EAST A DISTANCE OF 399.59 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015" AT A NON-TANGENT POINT OF CURVATURE ON THE WESTERLY RIGHT OF WAY LINE OF HIGHWAY 89-A, THE CENTRAL POINT OF SAID CURVE LIES SOUTH 73°54'19" WEST 11,359.16 FEET;

THENCE ALONG SAID CURVED RIGHT OF WAY LINE IN A NORTHWESTERLY DIRECTION THROUGH A CENTRAL ANGLE OF 00°05'09" AN ARC LENGTH OF 17.02 FEET TO A ½" REBAR WITH PLASTIC CAP STAMPED "RLS 29891" ON THE NORTH LINE OF SECTION 34;

THENCE SOUTH 87°50'32" WEST 395.14 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 2:

A PARCEL OF GROUND LYING IN SECTION 34, TOWNSHIP 17 NORTH, RANGE 2 WEST, G.&S.R.M., YAVAPAI COUNTY, ARIZONA DESCRIBED AS FOLLOWS:

COMMENCING AT A FOUND 2 INCH IRON PIPE ACCEPTED AS THE NORTHWEST CORNER OF SECTION 34 FROM WHICH, A FOUND ½" REBAR WITH PLASTIC CAP STAMPED "RLS 29891," ACCEPTED AS THE NORTH QUARTER CORNER OF SECTION 34 LIES NORTH 87°59'34" EAST (BASIS OF BEARINGS FOR THIS DESCRIPTION AS DEPICTED ON A RESULTS OF SURVEY PLAT RECORDED IN BOOK 132 OF LAND SURVEYS, PAGE 68 IN THE YAVAPAI COUNTY RECORDER'S OFFICE) A DISTANCE OF 2684.82 FEET;

THENCE NORTH 87°59'44" EAST 872.59 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015";

THENCE SOUTH 00°06'59" EAST 1035.54 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015";

THENCE NORTH 88°53'28" EAST 100.21 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 00°08'02" EAST 1649.32 FEET;

THENCE NORTH 88°46'56" EAST 1851.55 FEET TO A ½" REBAR WITH CAP STAMPED "RLS 12005";

THENCE NORTH 88°46'15" EAST 309.99 FEET TO A ½" REBAR WITH CAP STAMPED "RLS 12005";

THENCE NORTH 88°46'35" EAST 808.34 FEET TO A ½" REBAR WITH CAP STAMPED "LS 29891" ON THE WESTERLY RIGHT OF WAY LINE OF HIGHWAY 89;

THENCE NORTH 14°37'50" WEST ALONG SAID RIGHT OF WAY LINE A DISTANCE OF 2.45 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015";

THENCE SOUTH 89°29'21" WEST 807.57 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015";

THENCE SOUTH 89°28'50" WEST 309.91 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015";

THENCE SOUTH 89°26'31" WEST 434.97 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015";

THENCE SOUTH 89°30'47" WEST 659.79 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015";

THENCE SOUTH 89°35'45" WEST 664.37 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015";

THENCE NORTH 00°43'53" WEST 1609.81 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015";

THENCE SOUTH 88°53'28" WEST 75.41 FEET TO THE TRUE POINT OF BEGINNING.

EXHIBIT "A"

Property that is part of Exhibit A LEGAL DESCRIPTION

PARCEL 1:

Revised APN # 306-46-003G 09/27/2006

The following is a legal description of a parcel of land previously described in Book 4321 of Official Records, Page 580 in the Office of the Yavapai County Recorder (herein referred to as R1), lying within Sections 27 and 34, Township 17 North, Range 2 West of the Gila and Salt River Meridian, Yavapai County, Arizona, more particularly described as follows:

Beginning at a found 2 inch iron pipe (bent over – position established at point of entry into the ground) accepted as the northwest corner of Section 34, from which a found ½" rebar and plastic cap stamped RLS 29891 at the north Quarter corner of Section 34 bears North 87°59'34" East, a distance of 2684.82 feet (measured and Basis of Bearings for this description – North 87°50'20" East, 2684.62 R1 and record per a Record of Survey as recorded in Book 132 of Land Surveys, Page 68 in the Office of the Yavapai County Recorder, herein referred to as R2);

Thence North 87°59'41" East, along the north line of Section 34, a distance of 1774.51 feet (North 87°50'20" East, 1774.43 feet R1, R2) to a found ½" rebar and plastic cap stamped RLS 12005 at the original northwest corner of the subject parcel and the TRUE POINT OF BEGINNING;

Thence leaving the north line of Section 34, North 00°06'06" West into Section 27, a distance of 42.37 feet to a set ½" rebar and aluminum cap stamped RLS 13015;

Thence South 89°36'04" East, a distance of 597.64 feet to a set ½" rebar and aluminum cap stamped RLS 13015;

Thence South 00°20'14" East, a distance of 17.29 feet to a set ½" rebar and aluminum cap stamped RLS 13015 at a point on the north line of Section 34, from which a found ½" rebar and plastic cap stamped RLS 12005 at the original northeast corner of the subject parcel bears South 87°58'39" West, a distance of 57.85 feet;

Thence leaving Section 27, South 00°20'14" East into Section 34, a distance of 1151.25 feet to a set ½" rebar and aluminum cap stamped RLS 13015;

Thence South 25°18'54" East, a distance of 5.48 feet to a set ½" rebar and aluminum cap stamped RLS 13015;

Thence South 00°25'59" East, a distance of 615.07 feet to a set ½" rebar and aluminum cap stamped RLS 13015;

Thence South 89°30'43" West, a distance of 668.22 fee to a set ½" rebar and aluminum cap

stamped RLS 13015t;

Thence North 01°14'08" West, a distance of 266.68 feet to a set ½" rebar and aluminum cap stamped RLS 13015;

Thence North 51°49'15" East, a distance of 81.91 feet to a set ½" rebar and aluminum cap stamped RLS 13015;

Thence North 00°00'55" West, a distance of 390.14 feet to a set ½" rebar and aluminum cap stamped RLS 13015;

Thence North 00°05'47" West, a distance of 1048.61 feet to the TRUE POINT OF BEGINNING.

THIS PROPERTY IS TO BE DELETED FROM THE FOREGOING EXHIBIT A TO REFLECT A MINOR BOUNDARY ADJUSTMENT

PARCEL 1:

A PARCEL OF GROUND LYING IN SECTION 27, TOWNSHIP 17 NORTH, RANGE 2 WEST, G.&S.R.M., YAVAPAI COUNTY, ARIZONA DESCRIBED AS FOLLOWS:

COMMENCING AT A FOUND 2 INCH IRON PIPE ACCEPTED AS THE SOUTHWEST CORNER OF SECTION 27 FROM WHICH, A FOUND ½" REBAR WITH PLASTIC CAP STAMPED "RLS 29891," ACCEPTED AS THE SOUTH QUARTER CORNER OF SECTION 27 LIES NORTH 87°59'34" EAST (BASIS OF BEARINGS FOR THIS DESCRIPTION AS DEPICTED ON A RESULTS OF SURVEY PLAT RECORDED IN BOOK 132 OF LAND SURVEYS, PAGE 68 IN THE YAVAPAI COUNTY RECORDER'S OFFICE) A DISTANCE OF 2684.82 FEET;

THENCE NORTH 87°59'44" EAST 872.59 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015" AT THE TRUE POINT OF BEGINNING:

THENCE NORTH 00°06'59" WEST 81.84 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015";

THENCE SOUTH 89°29'54" EAST 901.49 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015";

THENCE SOUTH 89°36'04" EAST 597.64 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015";

THENCE SOUTH 89°47'22" EAST 471.71 FEET TO A POINT ON THE SOUTH LINE OF SECTION 27;

THENCE SOUTH 88°22'23" WEST 159.58 FEET TO A ½" REBAR WITH PLASTIC CAP STAMPED "RLS 29891";

THENCE SOUTH 87°58'39" WEST 370.13 FEET TO A ½" REBAR WITH PLASTIC CAP STAMPED "FAMAS RLS 12005";

THENCE SOUTH 87°59'47" WEST 540.17 FEET TO A ½" REBAR WITH PLASTIC CAP STAMPED "FAMAS RLS 12005";

THENCE SOUTH 87°59'37" WEST 801.93 FEET TO A ½" REBAR WITH OBLITERATED PLASTIC CAP;

THENCE SOUTH 87°59'44" WEST 99.99 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 2:

A PARCEL OF GROUND LYING IN SECTION 34, TOWNSHIP 17 NORTH, RANGE 2 WEST, G.&S.R.M., YAVAPAI COUNTY, ARIZONA DESCRIBED AS FOLLOWS:

COMMENCING AT A FOUND 2 INCH IRON PIPE ACCEPTED AS THE NORTHWEST CORNER OF SECTION 34 FROM WHICH, A FOUND ½" REBAR WITH PLASTIC CAP STAMPED "RLS 29891," ACCEPTED AS THE NORTH QUARTER CORNER OF SECTION 34 LIES NORTH 87°59'34" EAST (BASIS OF BEARINGS FOR THIS DESCRIPTION AS DEPICTED ON A RESULTS OF SURVEY PLAT RECORDED IN BOOK 132 OF LAND SURVEYS, PAGE 68 IN THE YAVAPAI COUNTY RECORDER'S OFFICE) A DISTANCE OF 2684.82 FEET;

THENCE NORTH 87°59'44" EAST 872.59 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015" AT THE TRUE POINT OF BEGINNING:

THENCE NORTH 87°59'44" EAST 99.99 FEET TO A ½" REBAR WITH OBLITERATED CAP:

THENCE SOUTH 00°08'02" EAST 1037.06 FEET;

THENCE SOUTH 88°53'28" WEST 100.27 FEET TO A ½" REBAR WITH ALUMINUM CAP STAMPED "SHEPHARD-WESNITZER RLS 13015";

THENCE NORTH 00°06'59" WEST 1035.54 FEET TO THE TRUE POINT OF BEGINNING.

CS-5

ATTACHMENT "B"

| | | /A) | | | | P. 24 | 27 orti , 2 | ,28 on 9,3 | 3,3 of 14, | 3 22, 35 | 23, (415 | | | | 71 | | | | | | W | | |
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Type or Print Description Here:

ALL OF SECTIONS 28, 27, \$33, TOWNSHIP 17N, RANGE Z WEST, GILA &

SALT RIVER, BASE & MERIDDAN, as well as portions of SECTIONS 22, 23, 26, 29, 15

34, AND 35, TOWNSHIP 17N, RANGE ZWEST, GILA & SALT RIVER, BASE

& MERIDIAN.

ATTACHMENT "D" WATER TARIFF SCHEDULE REPRESENTATIVE RATE SCHEDULE

Page 1 of 2

| CUSTOM | IER/MINIMUM |
|--------|-------------|
| CHARGE | PER GALLON |

METER INSTALLATION PER R14-12-405.B

| Meter | Minimum Charge | Meter | Charge |
|------------|----------------|------------|------------|
| 5/8 X 3/4" | \$28.00 | 5/8 X 3/4" | \$440.00 |
| 3/4" | \$28.00 | 3/4" | \$520.00 |
| 1" | \$70.00 | 1" | \$610.00 |
| 1 1/2" | \$140.00 | 1 1/2" | \$855.00 |
| 2" | \$224.00 | 2" | \$1,515.00 |
| 3" | \$448.00 | 3" | \$2,195.00 |
| 4" | \$700.00 | 4" | \$3,360.00 |
| 6" | \$1,400.00 | 6" | \$6,115.00 |

COMMODITY CHARGE (EXCESS OF MINIMUM):

| | | Maximum Usage (Gallons) | Commodity Charge (1000 Gallons) |
|------------|--------------|----------------------------|------------------------------------|
| 5/8 & 3/4" | | 4,000 | \$2.05 |
| | | 10,000 | \$2.67 |
| | Greater Than | 10,000 | \$3.47 |
| 1" | | 25,000 | \$2.67 |
| | Greater Than | 25,000 | \$3.47 |
| 1 1/2" | | 50,000 | \$2.67 |
| | Greater Than | 50,000 | \$3.47 |
| 2" | | 80,000 | \$2.67 |
| | Greater Than | 80,000 | \$3.47 |
| 3" | | 160,000 | \$2.67 |
| - | Greater Than | 160,000 | \$3.47 |
| 4" | | 250,000 | \$2.67 |
| · | Greater Than | 250,000 | \$3.47 |
| 6" | | 500,000 | \$2.67 |
| - | Greater Than | 500,000 | \$3.47 |

ATTACHMENT "D" WATER TARIFF SCHEDULE STATEMENT OF CHARGES

Page 2 of 2

| | \$25.00 |
|--|---|
| Establishment | \$35.00 |
| Establishment After Hours | \$35.00 |
| Reconnection (Delinquent) | \$50.00 |
| Reconnection (Delinquent and After Hours) | \$35.00 \$35.00 |
| Meter Test | • |
| Deposit Requirement (Residential) | (a) |
| Deposit Requirement (Non-Residential Meter) | (a) |
| Hydrant Meter Deposit | \$50.00 |
| Deposit Interest | (b) |
| Re-Establishment (Within 12 Months) | (c) |
| Re-Establishment (After Hours) | (c) |
| | \$25.00 |
| NSF Check | 1.50% |
| Deferred Payment, Per Month | \$25.00 |
| Meter Re-Read | Cost |
| Change of Moving Customer Meter- | |
| Customer Requested per Rule R14-2-405B | See Above |
| After Hours Service Charge, per Rule R14-2-403D | ••• |
| Late Charge/Month | 1.50% |
| Main Extension and additional Facilites Agreements | |
| per Rule R14-2-406B | At Cost (d) |
| por ridio (11, 12, 1332) | |

All Revenue Related Taxes Will Be Charged Customers

Rules and Regulations

The Company has adopted the Rules and Regulations established by the Commission as the basis for its operating procedures. ACC R14-204-01 Through ACC R14-2-411 will be controlling of Company procedures, unless specific Commission Orders provide otherwise.

- (a) Residential=two times the average bill. Non-Residential=two and one-half times the average bill
- (b) Interest per Rule R14-2-403(B)
- (C) Minimum charge times number of full months off the system. per Rule R14-2-403(D)
- (d) All advances and/or contributions are to include labor, materials and parts, overheads and all applicable taxes including all gross-up taxes, if applicable.

IN ADDITION TO THE COLLECTION OF REGULAR RATES, THE UTILITY WILL COLLECT FROM ITS CUSTOMERS A PROPORTIONATE SHARE OF ANY PRIVILEGE SALES, USE AND FRANCHISE TAX PER COMMISSION RULE 14-2-409D(5).

| 1. | The franchise from either the City or County for the area requested. Town of Chino Valley franchise will be provided when obtained. |
|----|--|
| 2. | The Arizona Department of Environmental Quality (or its designee's) approval to construct facilities. |
| | To be provided when obtained. |
| 3. | The Arizona State Land Department approval. (If you are including any State land in your requested area this approval is needed.) N/A |
| 4. | Any U.S. Forest Service approval. (If you are including any U.S. Forest Service land in your requested area this approval is needed.) N/A |
| 5 | (WATER ONLY) If the area requested is within an Active Management Area, attach a copy of |

5. (WATER ONLY) If the area requested is within an Active Management Area, attach a copy of the utility's Designation of an Assured Water Supply, or the developer's Certificate of Assured Water Supply issued by the Arizona Department of Water Resources, whichever applies. *

• If the area requested is outside an Active Management Area, attach the developer's Adequacy Statement issued by the Arizona Department of Water Resources, if applied for by the developer.

* Developer has applied for CAWS. A copy will be provided when obtained.

If the area requested is outside an Active Management Area and the developer does not

- If the area requested is outside an Active Management Area and the developer does not obtain an Adequacy Statement, provide sufficient detail to prove that adequate water exists to provide water to the area requested.
- 6. Provide a copy of your estimated property taxes. This may be obtained by contacting the Arizona Department of Revenue, Division of Property Valuation and Equalization. You must provide them with a five (5) year projection of the original cost of the plant, depreciation expense, the location of the property and the school district. To be late filed with financial information by 4/15/08.
- T. Provide the following information:
 - 1. Indicate the estimated number of customers, by class, to be served in each of the first five years of operation:

Residential: First Year 80 Second Year 190 Third Year 360 Fourth Year 540 Fifth Year 720 Commercial: First Year 0 Second Year 0 Third Year 0 Fourth Year 0

| | Fifth Year 0 |
|----|--|
| | Industrial: |
| | First Year O Second Year O Third Year O Fourth Year O |
| | Fifth Year 0 |
| | Irrigation: |
| F | First Year 0 Second Year 0 Third Year 0 Fourth Year 0 |
| 2. | Indicate the projected annual water consumption or sewerage treatment, in gallons, for each of the customer classes for each of the first five years of operation: |
| | Residential: |
| | First Year 28.9m Second Year 68.6m Third Year 130.0m Fourth Year 195.0m |
| | Fifth Year 259.9m |
| | Commercial: |
| | First Year O Second Year O Third Year O Fourth Year O |
| | Fifth Year 0 |
| | <u>Industrial</u> : |
| | First Year 0 Second Year 0 Third Year 0 Fourth Year 0 |
| | Fifth Year 0 |
| | Irrigation: |
| | First Year 0 Second Year 0 Third Year 0 Fourth Year 0 |
| | Fifth Year 0 |

| Posidential est | imates to be late fi | each of the first five years of operation: led with financial informat |
|-----------------|---|---|
| Residential: | 4/15/08 | |
| First Year | Second Year | Third Year |
| Fourth Year | Fifth Year | |
| Commercial: | | |
| First Year 0 | Second Year 0 | Third Year0 |
| Fourth Year 0 | Fifth Year 0 | |
| Industrial: | | |
| First Year 0 | Second Year 0 | Third Year 0 |
| Fourth Year 0 | Fifth Year 0 | <u> </u> |
| Irrigation: | | |
| First Year 0 | Second Year 0 | Third Year 0 |
| Fourth Year 0 | Fifth Year 0 | |
| | ed annual operating expenses for | or each of the first five years of |
| | ial estimates to be rmation by 4/15/08. | late filed with financial |
| First Year | Second Year | Third Year |
| Fourth Year | Fifth Year | · |
| Commercial: | | |
| First Year 0 | Second Year 0 | Third Year |
| Fourth Year 0 | Fifth Year0 | · |

| | <u>Industrial</u> : | | | | |
|-------|--|--------------------------------|--------------------------------|-----------------|---|
| | First Year 0 | _ Second Year | 0 | Third Year_ | 0 |
| | Fourth Year 0 | Fifth Year | 0 | <u>.</u> | |
| | Irrigation: | | | | |
| | First Year 0 | _ Second Year | 0 | Third Year_ | 0 |
| | Fourth Year 0 | Fifth Year | 0 | | |
| | Attach an itemized list of the Attachment C-3). See a system | attachment C- em Phase 1 (: | -3 and s 3 pages | of schema | s of water |
| | \$4,000 |),138 for Ph | nases l | and 2 | |
| | | (Signature of | Authorized | Representative |) |
| | | | or Print Nar | | |
| | | m/h | VAINC (Title) | | · |
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| | nmission Expires 5/1 | 7/ <i>D8</i> 8 | | | Veronica Martinez Veronica Martinez Veronica County Vevapai County Vevapai County Vevapai Expires 5/17/2008 |

Attachment C-3

Del Rio Water Company, LLC

Estimated Construction Cost
Major Components of Water System
Page 1 of 2

WATER DEMAND

| Year | Lots | GPD/Lot | Total Demand |
|------|------|---------|--------------|
| 2009 | 80 | 361 | 28,880 |
| 2010 | 190 | 361 | 68,590 |
| 2011 | 360 | 361 | 129,960 |
| 2012 | 540 | 361 | 194,940 |
| 2013 | 720 | 361 | 259,920 |

GPD Based On Total Water Demand From Certificate of Assured Water Supply of 0.40 AFY/Lot

WELL AND TREATMENT CAPACITY

| | Gallons/Minute | Gallons/Day | Lots Served |
|---------|----------------|-------------|-------------|
| Phase I | 350 | 504,000 | 1,396 |
| Phase 2 | 800 | 1,152,000 | 3,191 |

Lots Served Based on 361 gpd

COST PHASE I

| Well and Improvements | \$2,310,737 |
|--------------------------|-------------|
| Transmission Line | \$39,600 |
| Distribution | Builders |
| | \$2,350,337 |
| Engineering & Admin Cost | \$352,551 |
| Land | \$200,000 |
| | |

COST PHASE I

| Well and Improvements Transmission Line | \$1,045,000 | |
|---|-------------------------|--|
| Distribution | Builders \$1,045,000 | |
| Engineering \$ Admin Cost | \$52,250 | |

Total \$1,097,250

\$2,902,888

Total

TOTAL PROBABLE COST

\$4,000,138

Attachment C-3

Del Rio Water Company, LLC

Estimated Construction Cost Page 2 of 2

COST ESTIMATE

| DESCRIPTION | Quantity | Units | Unit Cost | Phase I | Phase II |
|---|----------|-------|---------------|---------------------|-------------|
| Clear and Grub | 3 | AC | \$650 | \$1,950 | |
| 6" Aggregate Base Course | 4,840 | SY | \$8 | \$38,720 | |
| Site Work, Landscape, Block Perimeter Fence | 1 | SF | \$80,000 | \$80,000 | |
| 12" Raw Water Line | 500 | LF | \$45 | \$22,500 | |
| 12" Transmission Line | 300 | LF | \$45 | \$13,500 | |
| Storage Tank, 500,000 Gallons | 1 | EA | \$450,000 | \$450,000 | |
| Storage Tank, 500,000 Gallons | 1 | EA | \$450,000 | | \$450,000 |
| Pump Station/Hydro Tank | 1 | LF | \$500,000 | \$500,000 | |
| Arsenic Treatment for 350 gpm | 1 | LS | \$500,000 | \$500,000 | |
| Arsenic Treatment for 800 gpm | 1 | LS | \$500,000 | | \$500,000 |
| Production Well, Pump/Controls 1,000 gpm | 1 | LS | \$425,000 | \$425,000 | |
| Generator | 1 | LS | \$60,000 | \$60,000 | |
| Utility Hookups | 1 | LF | \$45,000 | \$45,000 | |
| SUB-TOTAL | | | | \$2,136,670 | \$950,000 |
| Contingency | 10% | | | \$213,667 | \$95,000 |
| CONSTRUCTION SUB-TOTAL | | | | \$2,350,337 | \$1,045,000 |
| Engineering, Construction Mgmt Phase I | 15% | | | \$352,551 | |
| Engineering, Construction Mgmt Phase II | | | | | \$52,250 |
| Land Cost | 2 | AC | \$100,000 | \$200,000 | |
| TOTAL PROBABLE COST | | | | \$2,902,888 | \$1,097,250 |
| | | | TOTAL PROBABL | E COST PHASE I & II | \$4,000,138 |

NOTE: Phase I Design for 795 Units, Phase II Design for 1,800 Units/19 Acres Commercial

ANNUAL OPERATIONAL COST

| \$98.250 |
|----------|
| \$12,000 |
| \$10,000 |
| \$39,000 |
| \$26,000 |
| \$11,250 |
| |

NOTE: Chemicals & Arsenic Removal, Media Expense Estimated @ \$0.55/Gallon





